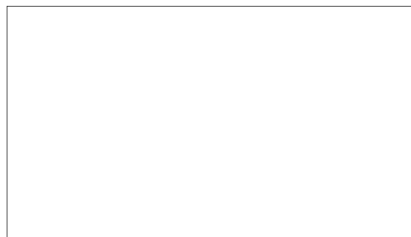




National Academy of Public Administration
Chartered by Congress

July 7, 1988

TO:



FROM:

Project ~~Director~~



Enclosed is a listing of the material prepared for the July 12 Panel meeting. Also enclosed are copies of the unclassified items on the list.

The classified material may be reviewed in the Key Building as noted in my July 1, 1988 memo to you.

Enclosure: As Stated

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Has Webster's No-Risk CIA Lost Its Punch?

By Tom Polgar

WILLIAM H. WEBSTER has been director of the Central Intelligence Agency since May 1987. His priorities during the first year were the restoration of some calm and order and "cleaning up Casey's mess." He promised to keep CIA operations in "absolute fidelity to our Constitution and to our laws" and he has been successful in developing friendly working relations with Congress.

All this is to the good. But agency veterans cannot help but wonder whether in this new world of harmony and regulated orderliness there will be any room for the occasionally controversial and at times messy clandestine operations that are an essential part of the CIA's mission.

During his distinguished career as a federal judge and FBI director, Webster was not known as a risk-taker. Yet spying is not without risks. They can be reduced through good planning and sound practices, but perfect security is possible only with zero operations. And the danger today is that we may be headed in that direction.

Under Webster, the agency's top priority seems to be staying out of trouble with Congress and the press. Following the Iran-contra scandal, there has been a significant exodus of experienced officers; among the employees who remain, there is said to be concern whether management will stand behind people who are involved in risky operations in the future. The new watchword at the agency seems to be "Do No Harm"—which is fine for doctors but may not encourage imagination and initiative in secret operations.

We need to be honest about why espionage is necessary. Despite the astonishing advances of technology, when it comes to intelligence on intentions—on what goes on in the other fellow's head—the best information will come from human beings willing and able to penetrate into the secrets of foreign governments and live long enough to tell about it. To put it another way: Spies must obtain the very information that foreign governments, groups or organizations do not want to give.

Clandestine collection of secret intelligence is always illicit. Whether it is evil depends on the eyes of the beholder. We look with greater kindness on those who spy for the United States than on those who spy against us. But let us not fool ourselves: What is illegal under U.S. law when carried out against American interests is also



See CIA, C2, Col. 1

Tom Polgar retired from the CIA in 1981 after 35 years working in American intelligence.

The No-Risk CIA

CIA, From CI

likely to be illegal under the laws of foreign countries when carried out against their interests.

It is an interesting moral question whether civilized countries should engage in espionage—authorized illegality, to put it bluntly—against each other. Can it be moral and ethical for the government to organize activities in disregard of the Ten Commandments and to conspire to violate the laws of foreign countries with which we are at peace?

Does the national interest justify the seduction of consenting adults to perform tasks which may become very unhealthy for them? Intelligence officers must struggle with these emotional issues, but there is no doubt that the intelligence services are here to stay. Every administration since President Truman's has expanded and attempted to improve intelligence collection, and every Congress since 1947 has authorized and appropriated vast sums to that end.

Most recently the congressional committees investigating the Iran-contra affair reaffirmed the conclusion that organized and structured intelligence activities are one of the realities of the world we live in and that the intelligence services are fully compatible with democratic government when their actions are conducted in an accountable manner and in accordance with the law.

No one would argue against the concept that American intelligence must operate in the framework of the legal, constitutional and philosophic concepts that characterize the United States. But little thought has been given to the natural dichotomy between the requirements of effective

espionage—conspiracy, stealth and deceit—and the conventional legal and regulatory framework of public administration.

This dichotomy could be managed as long as there was a general, if unspoken, agreement involving the CIA, the administration, the Congress and the media that some things are better left unsaid; that the national interest involves certain things—just like essential, natural bodily functions—about which it is best not to talk in public and which should not be performed where they can be seen. But this essential consensus broke down during the Vietnam War and it has not been restored in the succeeding years, when intelligence operations became a political football.

The congressional investigations of the CIA in the mid-1970s began the trend to "legalize" espionage: to try to conduct the conspiracies necessary to steal secrets in accordance with domestic law and in deference to the sensitivities of domestic pressure groups. There have also been continuing attempts, even within CIA, to apply to the CIA's clandestine activities the assorted laws, rules and regulations of conventional civil service.

It is hard to be against fair employment practices or in favor of sexual, racial or age discrimination, but the purpose of the CIA's Clandestine Service—which conducts our espionage operations—is not the promotion of social justice in the United States. Spying against the Soviet Union and in many other countries is among the most difficult endeavors imaginable. The odds against the success of the mission are vastly increased when CIA assigns people to operational tasks by criteria other than specific suitability for the job at hand. The KGB awards no brownie points to CIA stations that comply with equal-opportunity employment guidelines.

During my active-duty days, I found congressional oversight of the Clandestine Service to be friendly and understanding—even admiring. But there are ample signs that it has resulted in making the CIA more bureaucratic. This has tended to inhibit resolute action, blur the authority of line managers, divert resources from the operational mission and move decision-making upward and even outside the agency.

The Clandestine Service has also been weakened by the efforts of several recent directors to make CIA more businesslike, or more like the Navy, or more like the government as a whole. These efforts, which reached their zenith during the years of the Carter administration, sailed under the "One Agency" slogan and were aimed at breaking down the relative autonomy, special nature and even the spirit of the Clandestine Service.

Whatever their merits in other fields, there have now been a series of directors and deputy directors who had no understanding of the secret world of espionage and who failed to recognize the profound differences between the methods, the ethos and the ethics of business, the military and law enforcement on the one hand and those of the Clandestine Service on the other. Webster, for instance, once compared CIA covert activities with the use of undercover agents by the FBI. One hopes that he has learned, by now, the vast differences between the two.

American espionage has also suffered from continuing attempts to force it to operate in accordance with business management principles. This could not work because in clandestine operations there will seldom be a relationship between resource input and productivity—except in a negative sense: Without resources, nothing will happen.

The main problems of the Clandestine Service have never been in the area of material resources but in the nature of the targets and the adequacy of its own personnel to meet the operational requirements. This is not to be

interpreted as a criticism of the personnel. They are in all likelihood as good as the U.S. government can produce these days. There have been indications of shortcomings, however, partly caused by insufficient appreciation that the Clandestine Service, at its best, is a calling, not merely a job.

When the agency adopts management techniques and civil-service standards that erode the conditions of the Clandestine Service, when the agency breaks the psychological contract that it will protect its people, there will be an effect on morale. Initiative is the distinguishing feature of the clandestine operator, but initiative is a tender flower requiring a very special climate.

Those who seek to defend recent trends at the agency contend that turnover rates in CIA are lower than elsewhere in the federal civil service, but I am unimpressed by this argument. First, any statistics which deal with the CIA as a whole are necessarily misleading. Secondly, the Clandestine Service—and most particularly its overseas components—must operate with different standards than the Internal Revenue Service or the District of Columbia. A Washington average is not good enough to prevail against the KGB.

Clandestine operations require a very special sense of belonging, of sharing common values, of being unique and elite. These common values are necessary if the service is to be able to convince its people to do things that may be inconvenient, uncomfortable or even dangerous. Such conditions can only prevail when it is also well understood that extraordinary demands on the individual and the family will be balanced by extraordinary treatment in an elite—not egalitarian—organization.

The emphasis on CIA as "One Agency" misses these points. While all comparisons tend to be shaky, CIA could be compared to a large hospital whose different components have fundamentally different tasks while shar-

ing common support services. No one in his right mind would consider doctors, nurses, dieticians, laboratory personnel, administrators, telephone operators, security guards, cooks or janitors interchangeable or subject to identical career administration principles, even if they all work in and are essential in the proper functioning of the hospital.

Clandestine operations officers abroad—along with the supporting personnel—are, or at least should be, a very special breed. Yes, they need rotation between foreign and domestic assignments or among the different components of the CIA, but not at the expense of their operational skills or with a lowering of standards in the staffing of clandestine operations.

The Clandestine Service of the CIA could be smaller with a proportionate reduction in its responsibilities. Indeed, it would be a better service if it could stick to those matters that require secret operations in a strict definition of the term—rather than a broader menu that may include quasi-public paramilitary operations. Conversely, the quality of service will continue to suffer if more money, more people and especially more lawyers are sought as the remedies to the current problems or if we allow external oversight or excessive legalism to interfere with the enthusiasm, initiative or resourcefulness of the operators.

America needs to frame its intelligence policies with a clearer and more honest understanding of what the intelligence business is all about. It involves, even in its least uncontroversial task of intelligence collection, the systematic violation of the laws of other countries. A delicate balance must be found in attempting to conduct in a legal manner activities that must be outside the law. The Clandestine Service does not need any additional legislation or more regulations or more oversight. It needs continuity of qualified and courageous leadership, competent personnel in the field, and common sense and discretion in conducting operations.

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CIA, in the Age of Oversight

The article by CIA veteran Tom Polgar [Outlook, June 5] suggesting that the Central Intelligence Agency is more concerned with staying out of trouble than it is in staying on top of what's going on in the world is, to many of us still on active service in the CIA, off the mark. In fact, Judge William Webster's tenure at the CIA has shown that we can carry out our mission while still following the laws and orders that govern our organization.

Mr. Polgar was, in his time, a widely respected and effective officer, but he represents a school of thought in the profession of intelligence that is no longer current. The notion that CIA officers should be free to carry out the mandates of the elected and appointed officials of government without careful oversight by Congress is no longer valid, in part because those same elected and appointed officials in years past overstepped acceptable bounds in their use of the clandestine resources available to them.

Judge Webster's position is one that makes a lot of sense: we should only be involved in clandestine operations that the American people would approve if they were to be made public—and we must be scrupulous in reporting our activities to Congress through the oversight committees.

I am particularly disturbed by Mr. Polgar's suggestion that efforts to apply "fair employment practices" to hiring within the Clandestine Service is a mistake. In fact, the CIA has, for several years, made an honest and sincere effort to seek out minority candidates to fill the agency's ranks, not in a misguided effort to promote "social justice," but rather to tap resources we need and want. The CIA has also been "sex-blind" in its recruiting. I see no diminution in the agency's capabilities because our officers today are no longer strictly white and strictly male.

ARTHUR S. HULNICK
Washington

10 June 1988